GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:4290
ANSWERED ON:19.04.2002
EXCISE DUTY ON HANK YARN
PALANIYAPPA GOUNDER KUMARASAMY

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that levy of excise duty on hank yarn has created hardship to the looms and textile industry;

(b) if so, whether any Market Expansion Scheme has been envolved to compensate this duty; and

(c) if so, the details thereof?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) to (c) No, Sir; While introducing CENVAT on cotton and cellulosic spun yarn in plain reel hank form which was not subject to CENVAT earlier, it was made clear that the handloom weavers would continue to be provided with the yarn net of CENVAT and that the Government of India would reimburse the incidence of duty, to the organizations/agencies supplying the yarn free of CENVAT, to the handloom weavers.